

1 A. SASHA FRID (State Bar No. 216800)  
sfrid@millerbarondess.com  
2 DAVID W. SCHECTER (State Bar No. 296251)  
dschecter@millerbarondess.com  
3 MILLER BARONDESS, LLP  
1999 Avenue of the Stars, Suite 1000  
4 Los Angeles, California 90067  
Telephone: (310) 552-4400  
5 Facsimile: (310) 552-8400

6 Attorneys for Plaintiff  
ATELIER FASHION COMPANY, INC.  
7

8 **UNITED STATES DISTRICT COURT**  
9 **CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION**  
10

11 ATELIER FASHION COMPANY,  
INC., a California corporation,  
12

13 Plaintiff,  
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15 v.  
16

17 OLD SCHOOL FAIRFAX, INC., a  
California corporation; FARHAD  
ESHAGHIAN, an individual; and  
18 DOES 1 through 10, inclusive,  
19

20 Defendants.  
21

**CASE NO.**

**COMPLAINT FOR:**

1. **FEDERAL TRADEMARK COUNTERFEITING**
2. **FEDERAL TRADEMARK INFRINGEMENT**
3. **FEDERAL TRADE DRESS INFRINGEMENT**
4. **UNFAIR COMPETITION**
5. **UNFAIR BUSINESS PRACTICES**

**[JURY TRIAL DEMANDED]**

MILLER BARONDESS, LLP  
ATTORNEYS AT LAW  
1999 AVENUE OF THE STARS, SUITE 1000 LOS ANGELES, CALIFORNIA 90067  
TEL: (310) 552-4400 FAX: (310) 552-8400

1 This lawsuit seeks to stop Farhad Eshaghian (“Eshaghian”) and his company,  
 2 Old School Fairfax, Inc. (“Old School”), from blatantly and illegally counterfeiting,  
 3 misusing and trading on Atelier Fashion Company, Inc.’s (“Plaintiff” or “Atelier”)   
 4 brand name AMIRI. Through its brick and mortar store in Los Angeles, California,  
 5 Old School and Eshaghian are selling counterfeit jeans bearing the mark AMIRI and  
 6 using a fake label that mimics the real label used on authentic AMIRI clothing and  
 7 accessories. Atelier alleges as follows:

### 8 **PARTIES, JURISDICTION AND VENUE**

9 1. Plaintiff Atelier is a California corporation headquartered at 1801 East  
 10 7th Street, Suite C, Los Angeles, CA 90021. Atelier is the designer, marketer and  
 11 seller of AMIRI brand clothing, shoes and accessories.

12 2. Defendant Old School is a California corporation headquartered at 427  
 13 N. Fairfax Avenue, Los Angeles, California 90036. Old School sells clothing, shoes  
 14 and accessories through its brick and mortar store at 427 N. Fairfax Avenue, Los  
 15 Angeles, California 90036.

16 3. Defendant Eshaghian is the owner, President and Chief Executive  
 17 Officer of Old School. On information and belief, Eshaghian is a California resident  
 18 living in Los Angeles, California.

19 4. Based on information and belief, there is such a unity of interest and  
 20 ownership between Eshaghian and Old School that the individuality of Old School  
 21 or its separateness from Eshaghian has ceased, because, on information and belief (i)  
 22 there has been a commingling of funds and other assets between Eshaghian and Old  
 23 School; (ii) there has been an unauthorized diversion of corporate funds or assets  
 24 from Old School to Eshaghian for purposes other than corporate uses; (iii)  
 25 Eshaghian treats the assets of Old School as his own; (iv) Eshaghian owns all of the  
 26 shares of stock of Old School; (v) Eshaghian has held out that he is personally liable  
 27 for the debts of Old School; (vi) Old School has failed to maintain minutes or  
 28 adequate corporate records; (vii) Old School lacks corporate assets and is

1 undercapitalized; (xiii) Eshaghian utilizes Old School as a mere shell,  
2 instrumentality or conduit for his personal business; (ix) Eshaghian has taken steps  
3 to conceal the relationship between his personal business activities and Old School;  
4 and (x) Eshaghian uses Old School to procure labor, services, and merchandise for  
5 himself. As such, Eshaghian is Old School's alter ego.

6 5. Plaintiff is informed and believes and thereon alleges that the true  
7 names and capacities, whether individual, corporate, associate or otherwise, of  
8 Defendants herein named as Does 1 through 10, inclusive, are unknown to Plaintiff,  
9 who therefore sues said Defendants by such fictitious names. Plaintiff will seek to  
10 amend this Complaint to state the true names and capacities of these Doe  
11 Defendants when they have been ascertained.

12 6. Plaintiff is informed and believes, and on that basis alleges, that at all  
13 times mentioned herein each of the Defendants mentioned herein was the affiliate,  
14 agent, servant and employee of the other Defendants, and in doing the things  
15 alleged, was acting in the course and scope and authority of such affiliation, agency,  
16 service and employment, with the permission and consent of the other co-  
17 Defendants, and that each act of said co-Defendants was ratified by the others.

18 7. This Court has jurisdiction over the federal trademark claims asserted  
19 in this action under 15 U.S.C. § 1221, 28 U.S.C. § 1331 and 28 U.S.C. § 1338.

20 8. This Court has jurisdiction over the state law claims asserted in this  
21 action under 28 U.S.C. § 1367 because they are also related to the federal claims  
22 that form part of the same case or controversy under Article III of the U.S.  
23 Constitution.

24 9. This Court has personal jurisdiction over Defendants because they  
25 reside and are headquartered in California, and the trademark counterfeiting,  
26 trademark infringement and other wrongful conduct occurred in Los Angeles,  
27 California.

28 10. Venue in this District is proper pursuant to 28 U.S.C. § 1391(b)

1 because Defendants are California residents and a substantial part of the events or  
2 omissions giving rise to liability occurred in this District.

### 3 **FACTUAL ALLEGATIONS**

#### 4 **A. The AMIRI Brand**

5 11. Atelier is the creator and owner of the high-end fashion brand AMIRI.  
6 AMIRI branded clothing, shoes and accessories have enjoyed massive success and  
7 wide publicity by being linked to fashion-setters in the entertainment and sports  
8 communities.

9 12. Influenced by the punk and grunge culture of the 1980s and 1990s, the  
10 AMIRI brand launched in 2013 as a ready-to-wear label with streetwear-inspired  
11 collections made of premium denim, supple leather and soft cotton-cashmere blends.

12 13. The edgy styles of the AMIRI brand are prized by sports icons and rock  
13 stars, who frequently wear the brand's signature shotgun-pellet-distressed pieces.

14 14. Atelier is responsible for creating, designing, assembling, finishing,  
15 marketing and selling the AMIRI brand clothing, shoes and accessories; and Atelier  
16 is responsible for maintaining quality control over the AMIRI brand clothing, shoes  
17 and accessories marketed and sold around the world.

18 15. Atelier owns the U.S. trademark registration for the mark AMIRI (Reg.  
19 No. 5017318, Reg. Date August 9, 2016, First Use June 1, 2015) in international  
20 class 25 (boots, jeans, shirts, shoes, sweaters, t-shirts, denim jackets and leather  
21 jackets).

22 16. For years prior to the events giving rise to this lawsuit, Atelier has  
23 annually spent enormous amounts of time, money and effort advertising and  
24 promoting the products on which the mark AMIRI is used. AMIRI brand products  
25 are advertised in print and on the Internet. The AMIRI brand is also advertised,  
26 promoted and presented at points of sale by major retailers and high-end fashion  
27 boutiques. Consumers, accordingly, are exposed to the mark AMIRI in a variety of  
28 shopping and post-sale contexts.

17. Atelier has sold its AMIRI brand products all over the world, including throughout the United States and in California.

18. The mark AMIRI is arbitrary and fanciful and thus is entitled to the maximum trademark protection under the law.

19. Based on Atelier's extensive marketing of the AMIRI brand, and the trend-setting stars in sports and entertainment that wear AMIRI brand products, the AMIRI brand is now famous and has acquired secondary meaning so that any product or advertisement bearing such mark is immediately associated by consumers, the public and the trade as being a product or affiliate of the AMIRI brand.

20. Atelier has gone to great lengths to protect its name and enforce the mark AMIRI.

21. The trademark registration of the mark AMIRI is valid and subsisting and in full force and effect.

**B. Defendants' Counterfeiting and Infringing Conduct**

22. Defendants are trafficking counterfeit goods marketed and sold under the genuine mark AMIRI through their brick and mortar store on 427 N. Fairfax Avenue in Los Angeles, California.

23. As part of its collections, Atelier markets and sells the MX1 jeans in black and indigo. The MX1 jeans have a distinctive torn look with handmade distressed rips, abrasions and pleated leather under-rips throughout. The MX1 jeans are sold at retail for \$1,040.00. Images of the genuine AMIRI MX1 jeans are shown below and are attached hereto as **Exhibit 1**:

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AMIRI

COLLECTI

SHOP ME!

CONCERT 1

NEW ARRIV

READY TO

ALL

LEATHER

OUTERWE

SHIRTS

DENIM

SHOES

ACCESSOR

SHOP WO

STOCKIST



MX1 JEAN BLACK

\$1,040.00

SLIM TAPERED DESTROYED MX1 JEAN

DENIM FROM ITALY

HAND PLEATED JAPANESE PLOUGE PATCHES

DISTRESSED TRIPS AND ABRASIONS BY HAND

MADE IN CALIFORNIA

C

AMIRI

COLLECTIONS

SHOP MEN

CONCERT TRUCKER

NEW ARRIVALS

READY TO WEAR

ALL

LEATHER

OUTERWEAR

SHIRTS

DENIM

SHOES

ACCESSORIES

SHOP WOMEN

STOCKISTS



24. At their store, Defendants sell counterfeit and knock-off MX1 jeans with the AMIRI label affixed to the jean to trick consumers into buying what they think are genuine AMIRI jeans.

25. In addition to using spurious designations, Defendants' counterfeit jeans copy the distinctive look and feel of the AMIRI MX1 jeans to further confuse consumers.

26. Defendants sell these counterfeit jeans for \$595.00—roughly half the price of genuine AMIRI jeans.

27. Images of the counterfeit AMIRI jeans are shown below and are attached hereto as **Exhibit 2**:

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28. Defendants' blatant counterfeiting is further shown by the fact that they market their jeans as "MIKE AMIRI MX1" jeans:



29. Defendants are serial trademark infringers of countless high-end fashion brands, and, on information and belief, have earned substantial profits from

1 the manufacture, import, marketing and sale of counterfeit and knock-off  
2 merchandise.

3 30. Numerous “Yelp!” commenters have reported Defendants’ marketing  
4 and sale of counterfeit and infringing merchandise through their brick and mortar  
5 store. For example, Joe K. of Berkeley, California posted on April 10, 2017:  
6 “FAKE FAKE FAKE Everything in this store is fake. What an utter scam. NO  
7 ONE BUY FROM OLD SCHOOL. I bought a fake FOG jacket, was happy, walked  
8 out and looked on my phone for some reviews and everything I read said it loud and  
9 clear. It’s a fraudulent business and should NOT exist. Don’t buy ANYTHING  
10 from Old School.”

11 31. Defendants knowingly and intentionally sell counterfeit and knock-off  
12 merchandise. Indeed, Defendants have a “no photographing” policy that is strictly  
13 enforced by on-site security guards.

14 **C. Defendants Continue to Sell Counterfeit Merchandise**

15 32. After learning of Defendants’ counterfeiting enterprise, Atelier sent  
16 Defendants a letter on April 13, 2017, demanding that they cease-and-desist from  
17 any further counterfeiting and infringement. A copy of the letter is attached hereto  
18 as **Exhibit 3**. To date, Defendants have not responded to the letter.

19 33. After Plaintiff sent the April 13 letter, the Yelp! website reported that  
20 Defendants’ store closed. But that is not true. Defendants continue to sell  
21 counterfeit merchandise through their store.

22 34. On April 24, 2017, an authorized retailer went inside Defendants’ store  
23 and sent Atelier a photograph showing the counterfeit AMIRI jeans on display.

24 35. Given Defendants’ brazen and continuing counterfeiting, Atelier seeks  
25 legal recourse to avoid further harm to the AMIRI brand. Unless enjoined by the  
26 Court, Defendants will continue and expand their illegal activities and otherwise  
27 continue to cause irreparable damage and injury to Atelier by, among other things:

28 a. depriving Atelier of its statutory rights to use and control use of



- 1 its trademark;
- 2 b. creating a likelihood of confusion, mistake and deception among
- 3 consumers and the trade as to the source of the infringing
- 4 products;
- 5 c. causing the public to falsely associate Atelier and the AMIRI
- 6 brand with Old School and Eshaghian and their products;
- 7 d. causing incalculable and irreparable damage to Atelier's
- 8 goodwill and diluting the capacity of its famous AMIRI brand to
- 9 differentiate its products from those of its competitors; and
- 10 e. causing Atelier to lose sales of its genuine AMIRI brand
- 11 clothing, shoes and accessories.

12 36. Accordingly, Atelier is entitled to injunctive relief against Old School,  
13 Eshaghian and anyone acting in concert with them.

14 **FIRST CLAIM FOR RELIEF**  
15 **TRADEMARK COUNTERFEITING, 15 U.S.C. § 1114**  
16 *(Against All Defendants)*

17 37. Atelier hereby incorporates by reference all prior allegations as though  
18 fully set forth herein.

19 38. Defendants have used spurious designations that are identical with, or  
20 substantially indistinguishable from, the mark AMIRI on goods covered by  
21 registrations owned by Atelier.

22 39. Defendants have intentionally used these spurious designations,  
23 knowing they are counterfeit, in connection with the advertisement, promotion, sale,  
24 offering for sale and distribution of goods.

25 40. Defendants' use of the mark AMIRI to advertise, promote, offer for  
26 sale, distribute and sell clothing bearing the mark AMIRI was and is without the  
27 consent of Atelier.

28 41. Defendants' unauthorized use of the mark AMIRI on and in connection

1 with their sale, offering for sale and distribution of clothing bearing the mark  
2 AMIRI constitutes Defendants' use of the mark AMIRI in commerce.

3 42. Defendants' unauthorized use of the mark AMIRI as set forth above is  
4 likely to:

- 5 a. cause confusion, mistake and deception;
- 6 b. cause the public to believe that their jeans are the same as  
7 AMIRI brand clothing and/or that they are authorized, sponsored  
8 or approved by Atelier or that they are affiliated, connected or  
9 associated with or in some way related to Atelier and/or the  
10 AMIRI brand; and
- 11 c. result in Defendants unfairly benefiting from Atelier's  
12 advertising and promotion and profiting from the reputation of  
13 Atelier and the AMIRI brand all to the substantial and irreparable  
14 injury of the public, Atelier and Atelier's licensed retailers.

15 43. Defendants' acts constitute willful trademark counterfeiting in violation  
16 of 15 U.S.C. § 1114.

17 44. By reason of the foregoing, Defendants are liable to Atelier for the  
18 following: (a) statutory damages in the amount of up to \$2,000,000 for each mark  
19 counterfeited as provided by 15 U.S.C. § 1117(c) or, at Atelier's election, an amount  
20 representing three (3) times Atelier's damages and/or Defendants' illicit profits; and  
21 (b) reasonable attorneys' fees, investigative fees and pre-judgment interest as  
22 provided by 15 U.S.C. § 1117(b).

23 **SECOND CLAIM FOR RELIEF**

24 **TRADEMARK INFRINGEMENT, 15 U.S.C. § 1114**

25 *(Against All Defendants)*

26 45. Atelier hereby incorporates by reference all prior allegations as though  
27 fully set forth herein.

28 46. Based on Atelier's extensive advertising under the mark AMIRI, its

1 extensive sales and wide popularity of the AMIRI brand, the mark AMIRI has  
2 acquired secondary meaning so that any pair of jeans, or jacket or other item bearing  
3 that name is immediately associated by purchasers and the public as being a product  
4 and affiliate of Atelier and the AMIRI brand.

5 47. To gain from this popularity and good will, Defendants have used  
6 symbols and logos that infringe upon Atelier's mark AMIRI in connection with its  
7 sale, offering for sale, distribution or advertising of products bearing the mark  
8 AMIRI.

9 48. Defendants actions have created a likelihood of consumer confusion  
10 between the genuine AMIRI brand products and Defendants' infringing  
11 merchandise.

12 49. These acts of trademark infringement have been committed with the  
13 intent to cause confusion, mistake, or deception, and are in violation of 15 U.S.C. §  
14 1114.

15 50. As a direct and proximate result of Defendants' conduct, Atelier is  
16 entitled to recover Defendants' unlawful profits and Atelier's damages, and three (3)  
17 times the amount of its damages and Defendants' profits, and to an award of  
18 attorneys' fees under 15 U.S.C. § 1117.

19 51. Atelier is entitled to injunctive relief pursuant to 15 U.S.C. § 1116(a)  
20 that requires Defendants to stop using the mark AMIRI.

### 21 **THIRD CLAIM FOR RELIEF**

### 22 **TRADE DRESS INFRINGEMENT, 15 U.S.C. § 1125(a)**

23 *(Against All Defendants)*

24 52. Atelier hereby incorporates by reference all prior allegations as though  
25 fully set forth herein.

26 53. Atelier's AMIRI brand clothing has a distinctive look and feel that, as a  
27 result of Atelier's extensive marketing and frequent use by trend-setting athletes and  
28 entertainers, has acquired secondary meaning among consumers. Consumers

1 readily associate clothing with distinctive rips and edgy design with the AMIRI  
 2 brand.

3 54. Atelier's trade dress consists of nonfunctional rips, tears and leather  
 4 under-rips unique to the AMIRI brand that Atelier markets and sells as part of its  
 5 fashion collections featuring premium denim, supple leather and soft cotton-  
 6 cashmere blends.

7 55. Defendants copied and infringed Atelier's trade dress by  
 8 manufacturing, or causing the manufacture of, clothing with the same distinctive  
 9 rips, tears and leather under-rips featured on genuine AMIRI brand clothing. As a  
 10 result, Defendants' products have created a likelihood of consumer confusion.

11 56. As a direct and proximate result of Defendants' conduct, Atelier is  
 12 entitled to recover Defendants' unlawful profits and Atelier's damages, and three (3)  
 13 times the amount of its damages and Defendants' profits, and to an award of  
 14 attorneys' fees under 15 U.S.C. § 1117.

15 57. Atelier is entitled to injunctive relief pursuant to 15 U.S.C. § 1116(a)  
 16 that requires Defendants to stop manufacturing, marketing and/or selling clothing  
 17 using Atelier's trade dress.

#### 18 **FOURTH CLAIM FOR RELIEF**

#### 19 **UNFAIR COMPETITION, CALIFORNIA COMMON LAW**

20 *(Against All Defendants)*

21 58. Atelier hereby incorporates by reference all prior allegations as though  
 22 fully set forth herein.

23 59. Under California law, a defendant engages in unfair competition by  
 24 passing off his goods for those of another.

25 60. As set forth above, Defendants have marketed and sold products that  
 26 use the mark AMIRI and are virtually identical to the genuine goods sold under the  
 27 AMIRI brand.

28 61. As a result, Defendants are liable for unfair competition under

1 California law.

2 62. To the extent Atelier has an adequate remedy at law, Atelier is entitled  
3 to recover all damages proximately caused by Defendants' wrongful conduct, and,  
4 because Defendants' conduct was and is oppressive, malicious and fraudulent,  
5 Atelier is therefore entitled to an award of punitive damages under California Civil  
6 Code § 3294(a).

7 **FIFTH CLAIM FOR RELIEF**

8 **UNFAIR BUSINESS PRACTICES, Cal. Bus. & Prof. Code § 17200**

9 *(Against All Defendants)*

10 63. Atelier hereby incorporates by reference all prior allegations as though  
11 fully set forth herein.

12 64. As set forth above, Defendants have violated federal and California law  
13 through the marketing and sale of counterfeit and infringing merchandise.

14 65. As such, Defendants have engaged in unfair business practices  
15 prohibited under California Business & Professions Code § 17200.

16 66. As a direct and proximate result of Defendants' unfair business  
17 practices, Atelier is entitled to disgorgement of Defendants' profits and injunctive  
18 relief.

19 **PRAYER FOR RELIEF**

20 **WHEREFORE**, Atelier respectfully requests that the Court grant the  
21 following relief:

- 22 (1) Enter judgment in Atelier's favor, finding that Atelier's mark AMIRI  
23 has been counterfeited by Defendants in violation of 15 U.S.C. § 1114;  
24 (2) Enter judgment in Atelier's favor, finding that Atelier's mark AMIRI  
25 has been infringed by Defendants in violation of 15 U.S.C. § 1114;  
26 (3) Enter judgment in Atelier's favor, finding that Atelier's trade dress has  
27 been infringed by Defendants in violation of 15 U.S.C. § 1125(a);  
28 (4) Enter judgment in Atelier's favor, finding that Defendants have



- engaged in passing off in violation of California law;
- (5) Enter judgment in Atelier's favor, finding that Defendants have committed unfair business practices in violation of California law;
- (6) Enter an injunction ordering Defendants to close their brick and mortar store at 427 N. Fairfax Avenue, Los Angeles, California and ordering Defendants, their agents, servants, employees, and all other persons in privity or acting in concert with them be enjoined and restrained from:
- (a) using any reproduction, counterfeit, copy, or colorable imitation of the mark AMIRI to identify any goods or rendering any services not authorized by Atelier;
  - (b) marketing or selling, directly or indirectly, any goods that use the same or substantially similar product names as are used on the genuine AMIRI clothing, shoes and accessories;
  - (c) manufacturing, or causing the manufacture of, any goods that are an exact replica or use a substantially similar design to the genuine AMIRI clothing, shoes and accessories;
  - (d) further infringing or passing off the mark AMIRI or any clothing, shoe or accessory associated with the AMIRI brand;
  - (e) making any statement or representation whatsoever that Defendants' products are associated with the AMIRI brand or approved by Atelier;
  - (f) using or hosting any Internet page or social media platform to display, market or sell any counterfeit or infringing products;
  - (g) secreting, destroying, altering, removing or otherwise dealing with the unauthorized products or any books or records which contain any information relating to the importing, manufacturing, producing, distributing, circulating, selling, marketing, offering for sale, advertising, promoting, or displaying of all unauthorized

- products which infringe the mark AMIRI and the AMIRI trade dress; and
- (h) effecting assignments or transfers, forming new entities or associations or utilizing any other device for the purpose of circumventing or otherwise avoiding the prohibitions set forth in subparagraphs (a) through (g);
- (7) That Defendants, within (30) days of judgment, file and serve Atelier with a sworn statement setting forth in detail the manner and form in which they have complied with this injunction pursuant to 15 U.S.C. § 1116(a);
- (8) That Defendants be required to deliver up for destruction to Atelier all unauthorized materials bearing any of the AMIRI marks or the AMIRI trade dress;
- (9) That Defendants be required to pay Atelier statutory damages up to \$2,000,000 per infringed mark and all of Atelier's reasonable attorneys' fees, costs, investigative costs and pre- and post-judgment interest as permitted by law;
- (10) That Defendants be required to disgorge all profits and pay up to three (3) times Atelier's damages or Defendants' illegal profits;
- (11) That the Court retain jurisdiction of this action for the purpose of enabling Atelier to apply to the Court any time for such further orders as are necessary;
- (12) That Defendants be prohibited from a discharge in bankruptcy pursuant to 11 U.S.C. § 523(a)(6) for any malicious, willful or fraudulent injury to Atelier; and

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1 (13) For any further relief that the Court deems just and proper.  
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3 DATED: May 2, 2017

Respectfully submitted,

4 MILLER BARONDESS, LLP  
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7 By: 

8 A. SASHA FRID

9 Attorneys for Plaintiff

10 ATELIER FASHION COMPANY, INC.  
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MILLER BARONDESS, LLP  
ATTORNEYS AT LAW  
1999 AVENUE OF THE STARS, SUITE 1000 LOS ANGELES, CALIFORNIA 90067  
TEL: (310) 552-4400 FAX: (310) 552-8400

**DEMAND FOR JURY TRIAL**

Atelier demands that this action be tried by a jury.

DATED: May 2, 2017

Respectfully submitted,

MILLER BARONDESS, LLP

By: 

A. SASHA FRID

Attorneys for Plaintiff

ATELIER FASHION COMPANY, INC.

MILLER BARONDESS, LLP  
ATTORNEYS AT LAW  
1999 AVENUE OF THE STARS, SUITE 1000 LOS ANGELES, CALIFORNIA 90067  
TEL: (310) 552-4400 FAX: (310) 552-8400